

FILED	RECEIVED
ENTERED	SERVED ON
COUNSEL/PARTIES OF RECORD	
MAY 16 2018	
CLERK US DISTRICT COURT	
DISTRICT OF NEVADA	
BY: _____	DEPUTY

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

UNITED STATES OF AMERICA,) Case Nos.:
Plaintiff,) 2:15-cr-00018-APG-VCF-3
v.) 2:18-cr-00121-APG-VCF
LORRAINE RIDDIOUGH,) 2:18-cr-00122-APG-VCF
a.k.a. Lorraine Ann Mader,) 2:18-cr-00123-APG-VCF
Defendant.) Preliminary Order of Forfeiture

This Court finds that defendant Lorraine Riddiough, a.k.a. Lorraine Ann Mader, pled guilty to the following: . . .

As to the Criminal Indictment in *United States of America v. Jason Demko et al*, Case No. 2:15-cr-00018-APG-VCF (*Demko*), Counts One, Two, and Five of a Six-Count Criminal Indictment charging her in Count One with Conspiracy to Commit Mail Fraud and Wire Fraud in violation of Title 18, United States Code, Sections 1341, 1343, and 1349 and in Counts Two and Five with Wire Fraud in violation of Title 18, United States Code, Section 1343. Criminal Indictment, ECF No. 26; Change of Plea, ECF No. ____; Plea Agreement, ECF No. ____;

As to the Criminal Information in *United States of America v. Lorraine Riddiough*, Case 2:18-cr-00121-APG-VCF (Criminal Information related to *United States of America v. Michael Jones et al*, Case No. 2:15-CR-174-KJD-(PAL)) (*Jones*), Count One of a One-Count Criminal Information charging her with Conspiracy to Commit Mail Fraud and Wire Fraud in violation of

1 Title 18, United States Code, Sections 1341, 1343, and 1349. Criminal Information, ECF No. __;

2 Change of Plea, ECF No. __; Plea Agreement, ECF No. __;

3 As to the Criminal Information in *United States of America v. Lorraine Riddiough*, Case

4 No. 2:18-cr-00122-APG-VCF (Criminal Information related to *United States of America v.*

5 *Charlene Scott*, Case No. 2:15-CR-193-KJD-PAL) (*Scott*), Count One of a One-Count Criminal

6 Information charging her with Conspiracy to Commit Mail Fraud and Wire Fraud in violation of

7 Title 18, United States Code, Sections 1341, 1343, and 1349. Criminal Information, ECF No. __;

8 Change of Plea, ECF No. __; Plea Agreement, ECF No. __; and

9 As to the Criminal Information in *United States of America v. Lorraine Riddiough*, Case

10 No. 2:18-cr-00123-APG-VCF (*Riddiough*), Counts One through Three of a Three-Count

11 Criminal Information charging her in Count One with Conspiracy to Commit Mail Fraud and

12 Wire Fraud in violation of Title 18, United States Code, Sections 1341, 1343, and 1349; in Count

13 Two with Health Care Fraud in violation of Title 18, United States Code, Section 1347; and in

14 Count Three with Theft of Government Property in violation of Title 18, United States Code,

15 Section 641. Criminal Information, ECF No. __; Change of Plea, ECF No. __; Plea Agreement,

16 ECF No. __.

17 This Court finds defendant Lorraine Riddiough, a.k.a. Lorraine Ann Mader, agreed to the

18 forfeiture of the property and the imposition of the in personam criminal forfeiture money

19 judgment set forth in the Plea Agreement and the Forfeiture Allegations of the Criminal

20 Indictment (*Demko*, 2:15-cr-00018), the Criminal Information (*Jones*, 2:18-cr-00121), the

21 Criminal Information (*Scott*, 2:18-cr-00122), and the Criminal Information (*Riddiough*,

22 2:18-cr-00123). Criminal Indictment (*Demko*, 2:15-cr-00018), ECF No. 26; Change of Plea

23 (*Demko*, 2:15-cr-00018), ECF No. __; Plea Agreement (*Demko*, 2:15-cr-00018), ECF No. __;

24 Criminal Information (*Jones*, 2:18-cr-00121), ECF No. __; Change of Plea (*Jones*,

25 2:18-cr-00121), ECF No. __; Plea Agreement (*Jones*, 2:18-cr-00121), ECF No. __; Criminal

26 Information (*Scott*, 2:18-cr-00122), ECF No. __; Change of Plea (*Scott*, 2:18-cr-00122), ECF

No. __; Plea Agreement (*Scott*, 2:18-cr-00122), ECF No. __; Criminal Information (*Riddiough*,

1 2:18-cr-00123), ECF No. __; Change of Plea (*Riddiough*, 2:18-cr-00123), ECF No. __; Plea
2 Agreement (*Riddiough*, 2:18-cr-00123), ECF No. __.

3 This Court finds, pursuant to Fed. R. Crim. P. 32.2(b)(1) and (2), the United States of
4 America has shown the requisite nexus between property set forth in the Plea Agreement and the
5 Forfeiture Allegations of the Criminal Indictment (*Demko*, 2:15-cr-00018), the Criminal
6 Information (*Jones*, 2:18-cr-00121), the Criminal Information (*Scott*, 2:18-cr-00122), and the
7 Criminal Information (*Riddiough*) and the offenses to which defendant Lorraine Riddiough,
8 a.k.a. Lorraine Ann Mader, pled guilty.

9 The following property and money judgment are (1) any property, real or personal, which
10 constitutes or is derived from proceeds traceable to violations of Title 18, United States Code,
11 Sections 1341 and 1343, specified unlawful activities as defined in Title 18, United States Code,
12 Sections 1956(c)(7)(A) and 1961(1)(B), or Title 18, United States Code, Section 1349,
13 conspiracy to commit such offenses; (2) any property, real or personal, which constitutes or is
14 derived from proceeds traceable to violations of Title 18, United States Code, Section 641, a
15 specified unlawful activities as defined in Title 18, United States Code, Section 1956(c)(7)(D), or
16 a conspiracy to commit such offense; (3) any property, real or personal, which constitutes or is
17 derived from proceeds traceable to violations of Title 18, United States Code, Section 1347,
18 involving a Federal health care offense as defined in Title 18, United States Code, Section 24, a
19 specified unlawful activity as defined in Title 18, United States Code, Section 1956(c)(7)(F), or a
20 conspiracy to commit such offense; (4) property, real or personal, that constitutes or is derived,
21 directly or indirectly, from gross proceeds traceable to the commission of Title 18, United States
22 Code, Section 1347, a Federal health care offense as defined in Title 18, United States Code,
23 Section 24; and (5) any real or personal property constituting, derived from, or traceable to the
24 gross proceeds obtained directly or indirectly as a result of violations of Title 18, United States
25 Code, Sections 1341 and 1343, or of Title 18, United States Code, Section 1349, conspiracy to
26 commit such offenses, and are subject to forfeiture pursuant to Title 18, United States Code,
Section 981(a)(1)(C) with Title 28, United States Code, Section 2461(c); Title 18, United States

1 Code, Section 982(a)(7); Title 18, United States Code, Section 982(a)(8)(B); and Title 21, United
2 States Code, Section 853(p):

3 The property listed in the Superseding Indictment (*Jones*), namely:

4 1. \$50,018.53; and
5 2. \$8,252.04

6 (all of which constitutes property)

7 and a total in personam criminal forfeiture money judgment of \$453,145.30, divided
8 among the consolidated indictment and informations as follows:

9 1. \$96,905 in *Demko*, not to be held jointly and severally liable with any
10 codefendants, with the total amount collected in that matter not to exceed \$398,122;

11 2. \$55,149 in *Jones*, not to be held jointly and severally liable with any
12 codefendants, with the total amount collected in that matter not to exceed \$3,574,992.35, and
13 that the property will be applied toward the \$3,574,992.35 amount, not the defendant's \$55,149
14 amount;

15 3. \$157,645 in *Scott*, not to be held jointly and severally liable with any
16 codefendants, with the total amount collected in that matter not to exceed \$7,934,095.32;

17 4. \$134,525 in *Riddiough*, as to Count 1, not to be held jointly and severally
18 liable with any Count 1 codefendants, with the total amount collected in the matter as to Count 1
19 not to exceed \$2,075,157.82, and;

20 5. \$8,921.30 in *Riddiough*, as to Counts 2 and 3, not to be held jointly and
21 severally liable with any codefendants.

22 The in personam criminal forfeiture money judgment complies with *Honeycutt v. United*
23 *States*, ___ U.S. ___, 137 S. Ct. 1626 (2017).

24 This Court finds the United States of America is now entitled to, and should, reduce the
25 aforementioned property to the possession of the United States of America.

26 NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that
the United States of America should seize the aforementioned property.

1 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the United States
2 recover from Lorraine Riddiough, a.k.a. Lorraine Ann Mader, an *in personam* criminal forfeiture
3 money judgment of \$453,145.30.

4 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED all possessory rights,
5 ownership rights, and all rights, titles, and interests of Lorraine Riddiough, a.k.a. Lorraine Ann
6 Mader, in the aforementioned property is forfeited and is vested in the United States of America
7 and shall be safely held by the United States of America until further order of the Court.

8 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED the United States of
9 America shall publish for at least thirty (30) consecutive days on the official internet government
10 forfeiture website, www.forfeiture.gov, notice of this Order, which shall describe the forfeited
11 property, state the time under the applicable statute when a petition contesting the forfeiture must
12 be filed, and state the name and contact information for the government attorney to be served
13 with the petition, pursuant to Fed. R. Crim. P. 32.2(b)(6) and Title 21, United States Code,
14 Section 853(n)(2).

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that any individual or
16 entity who claims an interest in the aforementioned property must file a petition for a hearing to
17 adjudicate the validity of the petitioner's alleged interest in the property, which petition shall be
18 signed by the petitioner under penalty of perjury pursuant to Title 21, United States Code,
19 Section 853(n)(3) and Title 28, United States Code, Section 1746, and shall set forth the nature
20 and extent of the petitioner's right, title, or interest in the forfeited property and any additional
21 facts supporting the petitioner's petition and the relief sought.

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED a petition, if any, must be
23 filed with the Clerk of the Court, 333 Las Vegas Boulevard South, Las Vegas, Nevada 89101, no
24 later than thirty (30) days after the notice is sent or, if direct notice was not sent, no later than
25 sixty (60) days after the first day of the publication on the official internet government forfeiture
26 site, www.forfeiture.gov.

1 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED a copy of the petition, if
2 any, shall be served upon the Asset Forfeiture Attorney of the United States Attorney's Office at
3 the following address at the time of filing:

4 Daniel D. Hollingsworth
5 Assistant United States Attorney
501 Las Vegas Boulevard South, Suite 1100
6 Las Vegas, Nevada 89101.

7 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED the notice described
8 herein need not be published in the event a Declaration of Forfeiture is issued by the appropriate
9 agency following publication of notice of seizure and intent to administratively forfeit the above-
10 described property.

11 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Clerk send copies
12 of this Order to all counsel of record and three certified copies to the United States Attorney's
13 Office, Attention Asset Forfeiture Unit.

14 DATED this 16 day of May, 2018.

15
16 
17 UNITED STATES DISTRICT JUDGE
18
19
20
21
22
23
24
25
26